technology. The main proposals were for diversification of trade to non-traditional products, further development of border trade, development of infrastructuie for bilateral trade, encouragement to exchange of business visits, encouragement to investment in each other's country, and exchanges in technology and projects including joint design and consultancy services.

During the visit of Chinese Vice-Minister for Metallurgical Industry H.E. Mr. Wu Xichun to India in July 1994, it was agreed to set up three working groups, in the areas of technical cooperation in the steel sector, iron ore and manganese ore, and on imports and expoits of steel products.

(c) During the visit of H. E. Mme Wu Xi, both sides signed a bilateral Trade Protocol, and held the Fifth Session of China-India Joint Group on Economic Relations and Trade, Science and Technology. The salient points of agreement were on finalisation of a mutually agreed list of trade items for 1994-95, adoption of practical measures to diversify bilateral trade, achieve trade balance and lift bilateral trade to a new level, promotion of exchange of business visits, extension of tlie border trade, fostering and expansion of economic cooperation especially in setting up joint ventures, and explore specific measures for cooperation in the neld of science & technology.

Misuse of Vabal Scheme

*171. SHRI SATYA PRAKASH MALAVIYA : Will the Minister of COMMERCE be pleased to state :

(a) whether Government's attention has been drawn to the news item that appear ed in the Times of India dated 29th November, 1994 regarding the misuse of the VABAL scheme, resulting in huge loss to the exchequer;

(b) whether it is a fact that inspite of the good intentions of Government intro ducing VABAL Scheme, tbe unscrupulous traders etc. have been misusing the whole scheme resulting in huge losses to the Government exchequer;

(c) whether it is also a fact that the industry had brought to the notice of Government the clandestine import of over 20,000 MT of PFY through misuse of polymer VABAL Scheme, resulting in a revenue loss of over Rs. 350 crores in the first half of the current financial year and a setback to the indigenous industry,

(d) whether Government have initiated investigations in order to ensure action against the guilty in the said unscrupulous activity and with what results; and

(e) if no action has been taken so far, the reasons therefor?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) Investigations so far have not reveal ed any large scale misuse of the VABAL Scheme.

(c) to (e) Government has come across a news report alleging huge losses of excise revenue as a result of duty free import of POY under fake documents and sale of the imported POY in domestic market inviolation of Excise Rules. Exchange transac tions under the Havala route have also been alleged. The specific case cited in the report is being investigated by the Directorate General of Foreign Trade.

Export of Flowers

*172. SHRI RAJUBHAIA. PARMAR: SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE :

Will the Minister of COMMERCE be pleased to state :

(a) whether there is a comprehensive plan to explore and exploit the export market for flowers;

(b) what is the result of the study, if any conducted about the export potential of different varieties of flowers to different countries; and

(c) what steps have been taken, infrastructure created and system evolved for optimum exploitation and utilisation of the export potential of flowers?

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) and (b) The Government of India had in 1988 set up an Expert Group on development of floriculture in the country which submitted its report in 1989. The terms of reference included identification of floriculture products having export potential and evolving policy measures to facilitate export production. Floriculture was also identified as an Exterme Focus Segment for development of exports. An extreme Focus Group constituted in this context lands Government studv also found good potential for the export of flowers like roses, carnations and chrysentbamum to West Europe, Hong Kong, Singapore, Japan and West Asia.

(c) Some steps taken to optimize export potential of the floriculture sector include :—

1 The Ministry of Agriculture as substantially stepped up outlays for enhancing production and productivity with the objective of generating exportable surpluses.

2. The plan quarantine procedures have been streamlined to facilitate exports

as well as imports **of** inputs and raw materials.

3. Lower import duties on capital goods and raw materials required for floriculture.

4. Floriculture units can be set up under the EOU Scheme without the requirement of customs bonding.

5. Formulation of financial assistance schemes by the Agricultural and processed Food Products Export Development Authority (APEDA) for purchase of refer'vans, setting up facilities for precooling and cold storage, packaging developmsnt, market survey, acy and data base creation/ upgradation. The National Horticulture Board (NHB) also provide assistance in the form of soft loans.

6. Setting up of Walk-in-type cold storages at the Delhi, Mumdai and Bangalore airports.

7. Launching of UNDP aided project aimed at enhancing production and export of flowers.

Import of Deal with Malaysia for Pairu Oil

*173. SHRI PASUMPON THA. K1RUTT1NAN : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have entered into a deal for the import of palm oil from Malaysia;

(b) if so, the details thereof;

(c) whether the Ministry of Agriculture has raised some objections on this deal; and

(d) if so, what are the reasons for such objections and the reaction of the Ministry of Commerce in this regard'.'

THE MINISTER OF COMMERCE (SHRI PRANAB MUKHERJEE): (a) to (d) In response to the proposal of the Malaysian authorities, Agreed Minutes were signed between India and Malaysia on 14-8-1992 outlining Government of Indias willingness to purchase a minimum of 3 lakh tonnes of palm oil a year for two years through their palm oil purchasing organisations following their own procedures. In consideration of this, Government of Malaysia were fo award project contracts to Indian compaines to use the Evidence Account mechanism for providing necessary fillip to the arrangement. However, no import of Malaysain palm nil was effected under this arrangement.

Proposal to study Anti-Tobacco Legislation

*174. SHRI V. HANUMANTHA RAO : WiH the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal for increasing co-ordination between the Tobacco Board and other Ministries to study the economic consequences of anti-tobacco legislation;

(b) if so, the details of the proposed coordination; and

(c) whether exporters, industries and farmers will be associated with the future role of the Tobacco Board ?

THE MINISTER OF COMMERCE (SHRl PRANAB MUKHERJEE): (a) and (b) Even though the Tobacco Board is under the administrative Control of the Ministry of Commerce, it interacts directly with other Ministries and Departments of ihe Government of India. Ihe Tobacco Boards Resolution on the proposed legislation is available with the Ministry of Health.

(c) The existing provisions of the Tobacco Board Act, 1975, provide for due representation on the Board of tobacco growers, dealers, exporters and manufacturers.

कॉफी उत्पादकों की संयुक्त कार्रवाई समिति से प्राप्त ज्ञापन

*175. **श्री अनन्तराम जायसवाल :**

श्री सत्यप्रकाश मालवीय :

क्या **वाणिज्य** मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या कर्नाटक, केरल तथा तमिलनाडु के कॉफी उत्पादक संगठनों की संयुक्त कार्रवाई समिति ने कॉफी के घरेलू मूल्यों में स्थिरता की मांग सहित अन्य मांगों के संबंध में हाल ही में सरकार को कोई ज्ञापन दिया है ; और

(ख) यदि हां, तो ज्ञापन का ब्यौरा क्या है और इसमें वर्णित मांगों पर सरकार ने क्या निर्णय दिया है ?

वाणिज्य मंत्री (श्री प्रणव मुखर्जी) : (क) जी हां। कर्नाटक, केरल और तमिलनाडु के कॉफी उत्पादक संगठनों की संयुक्त कार्रवाई समिति का दिनांक 23-11-1994 का ज्ञापन अभी हाल ही में प्राप्त हुआ है।

(ख) इस ज्ञापन में इस बात का उल्लेख किया गया है कि कॉफी की अधिक स्वदेशी कीमत को नियंत्रित रखने के लिए निम्नलिखित सुझावों पर विचार किया जाए :—

(1) खुले सामान्य लाइसेंस के तहत कॉफी के मुक्त आयात की अनुमति दी जाए ;

(2) कॉफी अधिनियम की धारा 16 के अन्तर्गत सरकार को चाहिए कि वह स्वदेशी बाजार में कॉफी की थोक तथा खुदरा दोनों ही कीमतों का निर्धारण करे ; और